

**BEFORE THE COMMISSIONER OF SECURITIES AND INSURANCE  
MONTANA STATE AUDITOR**

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IN THE MATTER OF:

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Case No.: INS-2012-288

AON SERVICE CORPORATION,  
  
Respondent.

**CONSENT AGREEMENT AND FINAL  
ORDER**

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This Consent Agreement and Final Order (Agreement) is entered into by the Office of the Commissioner of Securities and Insurance, Montana State Auditor (CSI), acting pursuant to the authority of the Montana Insurance Code, Mont. Code Ann. § 33-1-101, et seq. (Code), and Aon Service Corporation (Respondent).

**RECITALS**

WHEREAS, Respondent placed surplus lines insurance policies on Montana risks between 2000 and 2010, but failed to file 133 surplus lines insurance submissions;

WHEREAS, the failure to file these submissions resulted in the non-payment of \$31,322.17 in premium taxes, \$13,242.35 in stamping fees, and \$7,628.14 in fire taxes;

WHEREAS, upon identifying the non-filings, Respondent self-reported to the CSI the unfiled submissions and unpaid taxes; and

WHEREAS, a failure to file surplus lines insurance submissions and to remit premium taxes, stamping fees, and fire taxes violates Mont. Code Ann. §§ 33-2-310, 33-2-311, 33-2-321, and 50-3-109;

NOW, THEREFORE, in consideration of the mutual undertakings contained in this Agreement, the CSI and Respondent enter into the following:

### **STIPULATIONS AND CONSENTS**

1. Admitting the foregoing, Respondent stipulates and agrees to the following:
  - A. Respondent will pay the outstanding premium taxes of \$31,322.17 to the CSI within 30 days of the date of this Agreement.
  - B. Respondent will pay the outstanding stamping fees of \$13,242.35 to the CSI within 30 days of the date of this Agreement.
  - C. Respondent will pay the outstanding fire taxes of \$7,628.14 to the CSI within 30 days of the date of this Agreement.
2. All parties to this Agreement stipulate and agree as follows:
  - A. Respondent acknowledges that its authorized representative signing this Agreement has read and understands each term of this Agreement and that it enters into this Agreement voluntarily and without reservation.
  - B. Respondent and the CSI agree that this Agreement resolves the matters set forth in the Recitals, and that the CSI has no intention to impose any penalty or fine, or take any other disciplinary action, for the conduct detailed therein.
  - C. With respect to the Recitals, Respondent specifically and affirmatively waives a contested case hearing and its right to appeal under the Montana Administrative

Procedure Act, including Title 2, chapter 4, part 7; and elects to resolve this matter on the terms and conditions set forth therein.

D. Respondent fully and forever releases and discharges the CSI from any and all actions, claims, causes of action, demands, or expenses for damages or injuries, whether asserted or unasserted, known or unknown, foreseen or unforeseen, arising out of the Recitals.

E. This Agreement is entered without adjudication of any issue, law, or fact. It is entered solely for the purpose of resolving the matters set forth in the Recitals and is not intended to be used for any other purpose.

F. This Agreement constitutes the entire agreement between the parties with respect to the subject matter and no other promises or agreements, either express or implied, have been made by the CSI or by any member, officer, agent, or representative of the CSI to induce Respondent to enter into this Agreement.

G. This Agreement may not be modified orally, and any subsequent modifications to this Agreement must be mutually agreed upon in writing to be effective.


H. This Agreement shall be incorporated into and made part of the attached Final Order issued by the Commissioner of Securities and Insurance, Montana State Auditor (Commissioner), herein.

I. This Agreement shall be effective upon signing of the Final Order.

J. This Agreement and Final Order are public records under Montana law  
and as such may not be sealed or otherwise withheld from the public.

DATED this 9<sup>th</sup> day of April, 2013

**OFFICE OF THE COMMISSIONER OF  
SECURITIES AND INSURANCE,  
MONTANA STATE AUDITOR**

By:   
**NICK MAZANEC**  
Attorney for the CSI

DATED this 4<sup>th</sup> day of April, 2013

**AON SERVICE CORPORATION**

By:   
**RAM PADMANABHAN**  
Title: Vice President

**FINAL ORDER**

Pursuant to the authority vested by Mont. Code Ann. §§ 2-4-603 and 33-1-101, et seq.  
and upon review of the foregoing Consent Agreement and good cause appearing,

IT IS HEREBY ORDERED that the foregoing Consent Agreement between the Office of  
the Commissioner of Securities and Insurance, Montana State Auditor, and Respondent Aon  
Service Corporation is adopted as set forth fully herein.

DATED this 12<sup>th</sup> day of April, 2013.

**MONICA J. LINDEEN**  
Commissioner of Securities and Insurance  
Montana State Auditor

By: \_\_\_\_\_

**ADAM SCHAFFER**  
Deputy State Auditor

**CERTIFICATE OF SERVICE**

I hereby certify that a true and accurate copy of the foregoing was served on the 12  
day of April, 2013, by US mail, first-class postage paid, to the following:

Aon Service Corporation  
200 East Randolph Street  
Floor 8  
Chicago, IL 60601

Darla Sautter